

EXECUTIVE SUMMARY

OFFICE OF THE INDEPENDENT BUDGET ANALYST REPORT

Date Issued: March 25, 2011

IBA Report Number: 11-21

City Council Docket Date: March 29, 2011

Item Number: 332

Second Update to Menu of Budget Options

On March 14, the IBA presented a focused list of Menu options to the City Council for discussion and consideration. At that meeting, several Council members expressed the desire to take action on a number of the options presented by the IBA in order to provide input to the FY 2012 Proposed Budget in advance of its release on April 15. The IBA was directed to report back with additional information on the focused Menu options in anticipation of Council action at the next hearing.

Since the March 14 meeting, the IBA has continued to research the items on the focused list of Menu options, and has provided additional information on several of the items. In addition, the IBA has been able to provide dollar estimates of potential savings or new resources for a majority of the focused Menu options.

The Mayor and the Chief Operating Officer have indicated that several of the items on the IBA's focused list of Menu options are being considered for implementation in the FY 2012 Proposed Budget. In addition, there are a number of other focused Menu items that have not been mentioned by the Mayor or COO for possible inclusion in the Proposed Budget, but which may still be implemented in FY 2012. Finally, there are also several focused Menu items that have been determined to be longer-term in nature due to meet and confer requirements or other implementation challenges.

The IBA recommends that the Council consider adopting a Resolution requesting that the Mayor:

- *Incorporate savings or new resources from the items on the focused list of Menu options into the FY 2012 Proposed Budget where feasible;*
- *Revisit the FY 2012 major revenue projections from the Five-Year Financial Outlook to determine if higher growth rates are warranted;*
- *Begin working on the longer-term Menu items, as identified above, for possible implementation in FY 2013.*
- *Utilize any identified savings or new resources to preserve critical General Fund services including Police, Fire, Parks & Recreation, and Libraries, consistent with the FY 2012 Budget Priorities Resolution adopted by the Council on February 14, 2011.*